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Leading the industry to
pervasive 64-bit computing



Core attributes:

- **Performance**
- **Security & Dependability**
- **Investment Protection**

End-customer benefits:

- **Do what you want, when you want**
- **Enhanced Virus Protection, a trusted participant in the e-commerce community**
- **Simultaneous 32/64-bit x86-based computing, ready for today's and tomorrow's software**

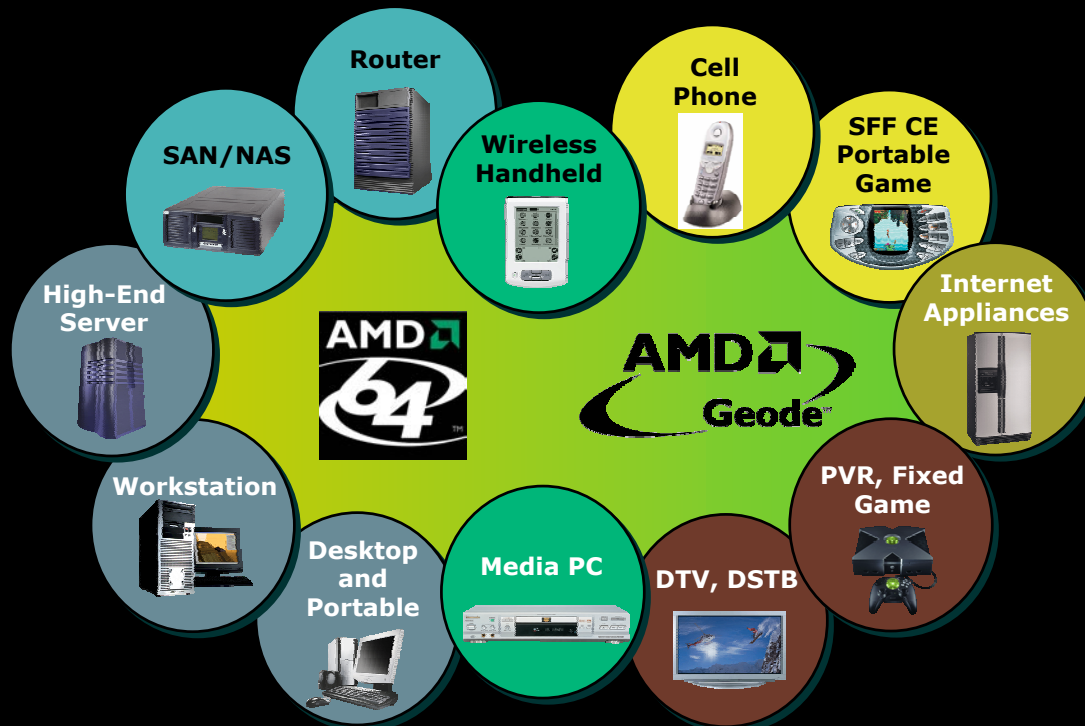
Evolving AMD's Product Portfolio

x86 everywhere



Ultra-low-power x86 processors and AMD64 enable ***x86 everywhere***

- **Simplicity for both commercial and consumer**
- **Expandability to accelerate innovation**
- **New opportunities for AMD**



AMD Segmentation 2005 CPU TAM



**AMD Historic Strength
(\$10.4B TAM)**

	Consumer		Commercial (includes Public Sector)		Total
	Consumer	SOHO (1-99)	SMB (100-999)	Enterprise (1000+)	
Desktop					\$17.7B 149M
Notebook					\$9.4B 55M
X86 Server					\$4.5B 9M
					\$31.6B 213M



**Opportunities
(\$21.2B TAM)**

We see tremendous opportunity in a "mature" market!

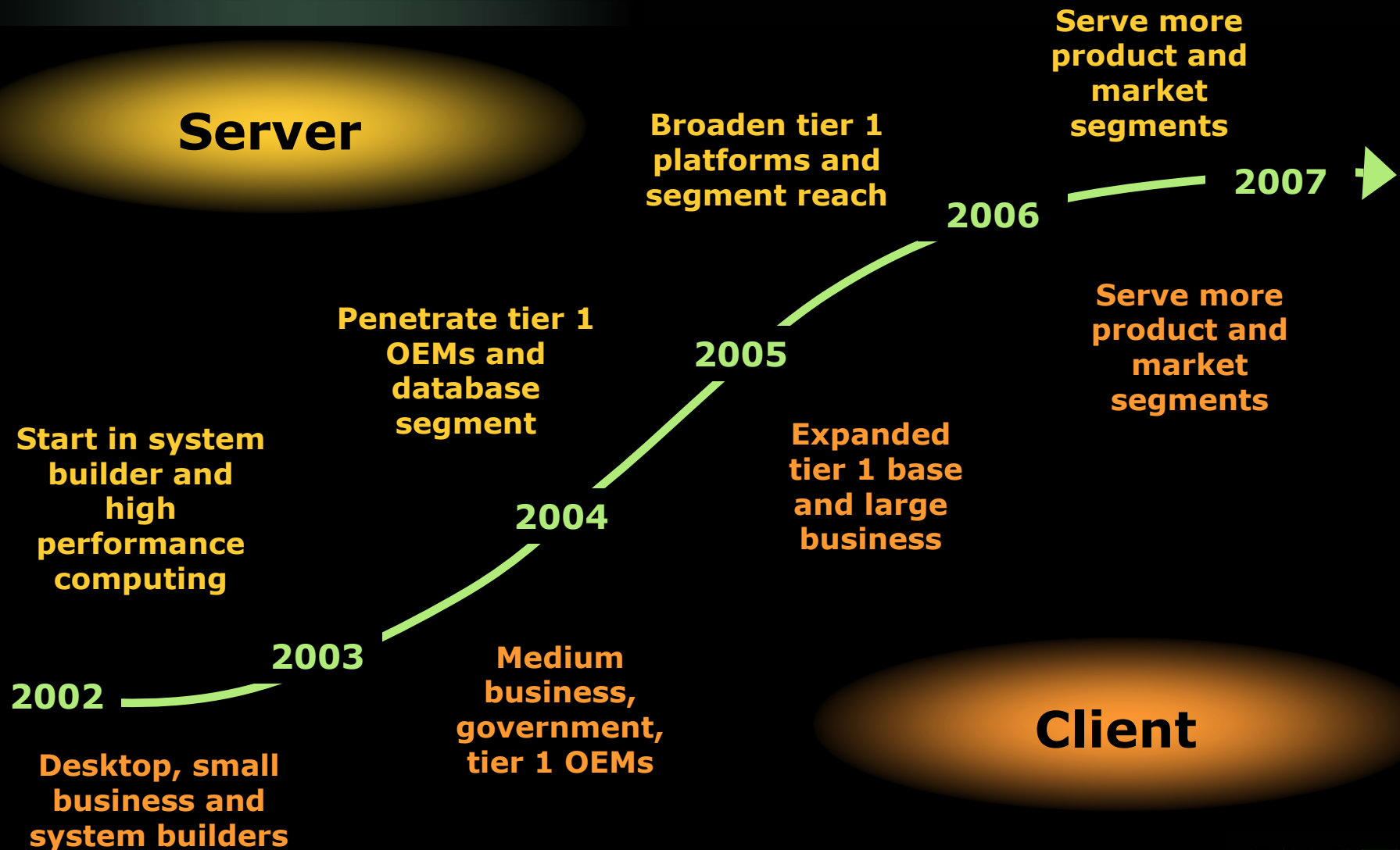
11/11/2004

Sources: Company Estimates, Gartner Dataquest Worldwide PC Qstats Database (2Q04 update), Mercury Research PC Processor and Chipset Forecast (4Q04 update) and IDC Server Study (August 2004)



2004 Analyst Day

AMD Commercial Evolution



*Establish **customer centric leadership**
by delivering technology solutions
that **reduce complexity**,
increase the value of our customers' and partners' offerings
and **change the economics** in the commercial market*



Commercial Segmentation Mapping



**Mission
Critical**

Highly sensitive applications

**General
Purpose
Scalable**

General purpose applications

**Clients and IT
Infrastructure**

General purpose applications

**Engineering &
Scientific**

General purpose applications

Commercial Software as of Oct 2004

Over 250 ISVs

Over 825 packages (690 shipping)

80 operating system versions
Includes Linux, UNIX, Windows
30 are 64-bit (20 shipping)

198 development tools (versions)
76 are 64-bit (45 shipping)

35 database engines (versions)
11 are 64-bit (7 shipping)

270 infrastructure apps
64 are 64-bit (37 shipping)

293 vertical apps
150 are 64-bit (100 shipping)

TAM

The majority of commercial applications are certified for AMD64!

11/11/2004

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Microsoft Treasury

- To manage \$60B portfolio you need a solution that offers optimum performance and real-time flexibility.
- Using AMD's Direct Connect Architecture, Microsoft Treasury managers can now run their mission-critical, complex risk-analysis software in less than half the time it previously took.
- At the same time, they can implement their migration to 64-bit applications without disrupting their business.



When Microsoft invests sixty billion dollars, they don't use just any processor.

"...gave us performance gains without having to recompile a single line of code."

— Max Giolitti, Microsoft Corp.

Sabre Holdings

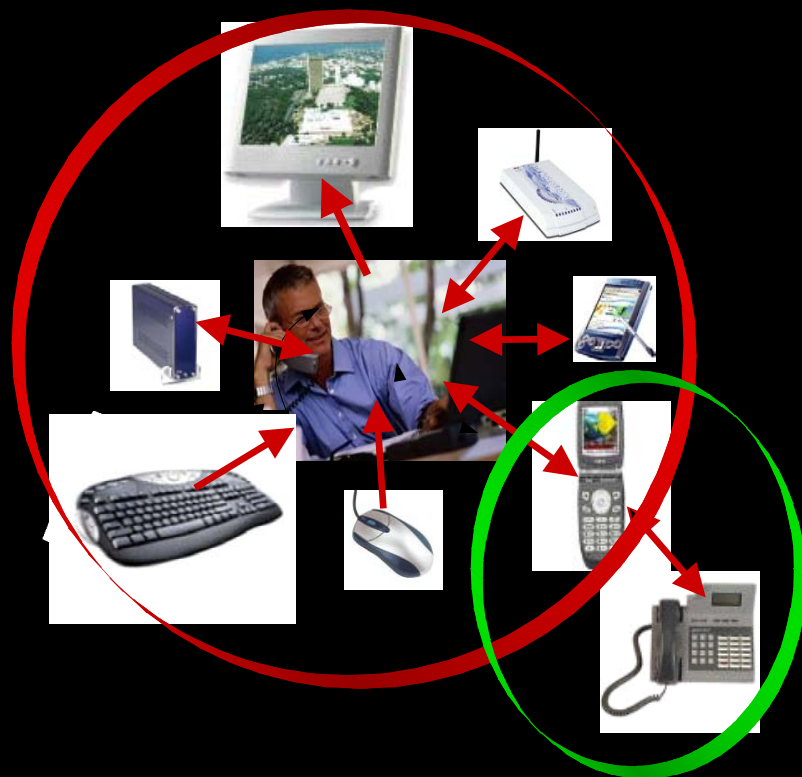
- Air Travel Shopping Platform handles 48 million shopping, pricing and availability transactions per day.
- AMD-based systems currently handling 50% of this mission-critical process: low-fare search platform for consumers and travel agents.
- Further mainframe replacement underway using AMD Opteron™ processor-based HP ProLiant DL585 four-ways.



“The AMD processor-based farm in production today is handling as much as 50% of the transactions that the existing mainframe system had been able to handle.”

— Alan Walker, Vice President
Sabre Labs

- Continue success in SMB
- Leverage Tier 1 AMD Opteron™ processor success into commercial clients
- Drive innovation into client architecture:
 - Alternative client architectures
 - Dedicated mobile core, leading performance/watt/battery-hour
 - Lower power, even fan-less clients



Changing the economics for enterprise IT

Small Office/Home Office



Digital Content Creation



Enthusiasts/Gaming



Home Entertainment



- Digital audio and video visionaries
- Professional and amateur software
- University training programs
- Create, edit, produce, distribute and consume



Star Wars / Warner Music



MEDIA INNOVATORS



Welcome to the
World of AMD64

The ranks are growing. *Who's next?*

- Marquee titles, developers and publishers
- Professional gaming teams and tournaments
- Award-winning gaming systems
- Consumer user groups



Home Entertainment



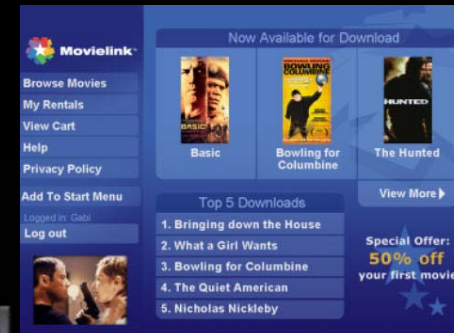
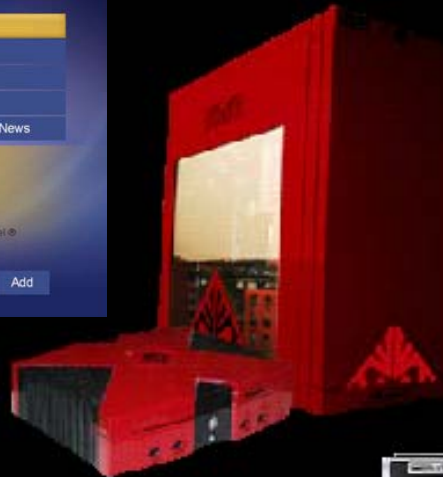
Information



Live TV



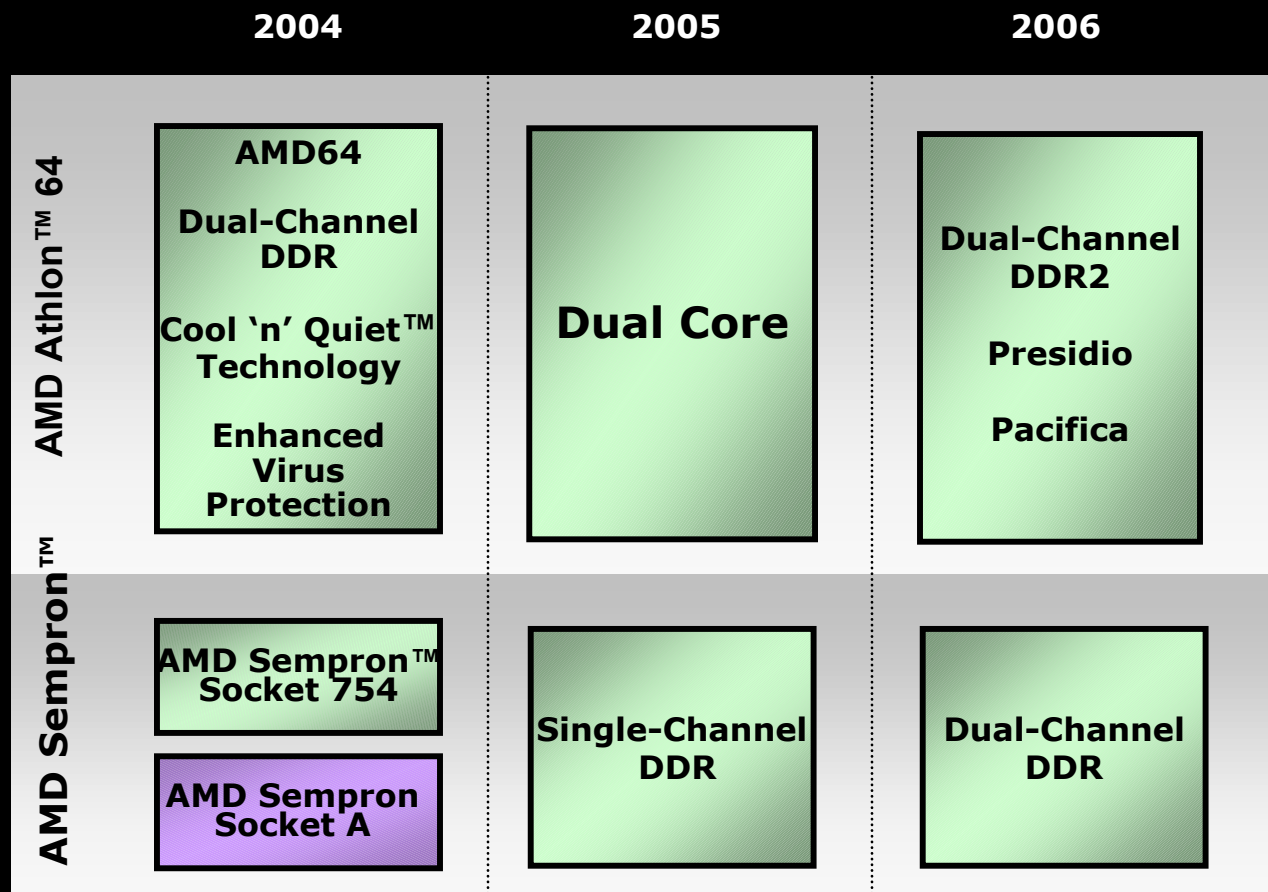
3rd party services



"Access to the content you care about—news, weather, and financial information—all from the comfort of your couch"

11/11/2004

Desktop Processor Roadmap



8th Generation

7th Generation

11/11/2004

Mobile Processor Roadmap



	2004	2005	2006
DTR/ Transportable >35W	AMD Athlon™ 64 Socket 754	Dual Core Socket 939	
Thin & Light 7-35W	Mobility Performance & Value Offerings Mobile AMD Athlon 64 35W TDP Mobile AMD Sempron™ 25W TDP Socket 754 PowerNow™ Enhanced Virus Protection	Enhanced Mobility 25W TDP Improved Sleep States Longer Battery Life Enables Thinner & Lighter Designs	Dual Core DDR2 Presidio Pacifica
Ultra Portable <7W			Ultra-Low Power Unique Form Factors

AMD Ecosystem

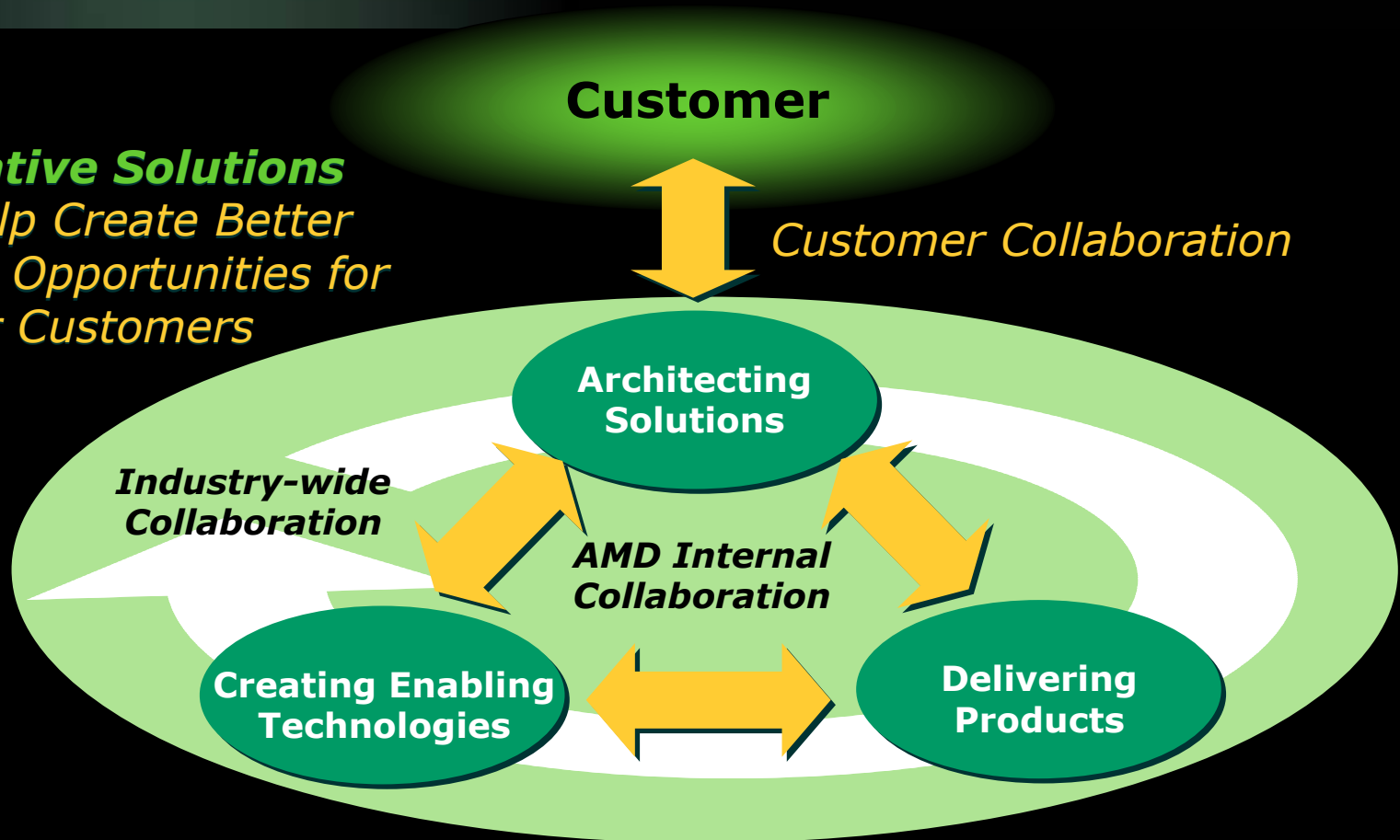


Chip Experts for Every Customer and Need

Customer Success Enabled by Manufacturing & Technology Leadership



Innovative Solutions
*That Help Create Better
Economic Opportunities for
Our Customers*



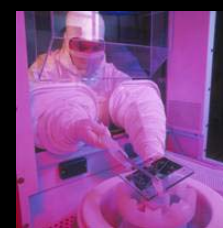
Enabling Technologies that Keep
Our Solutions at the Forefront of
Performance and Function

Fab Precision Delivering
What Customers Need,
When They Need It

AMD/IBM Partnership Succeeding!



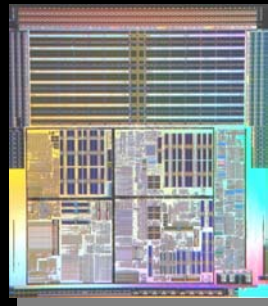
- Joint development with IBM started in January 2003
- Focused on 65nm, 45nm and below development
- Joint team at IBM 300mm facility in East Fishkill, NY
- World-class team, facility and equipment
- Common goals in high performance



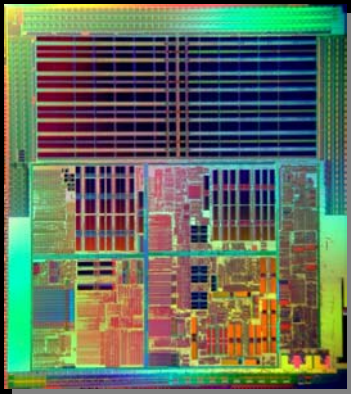
90nm Technology is on the Mark!



**90nm
Technology
84 mm²**



**130nm
Technology
145 mm²**



Key enabler for:

- Low power AMD64 processors
- As well as high-performance offerings

Builds on 130nm SOI success:

- Industry-leading SOI performance
- Industry-leading manufacturing

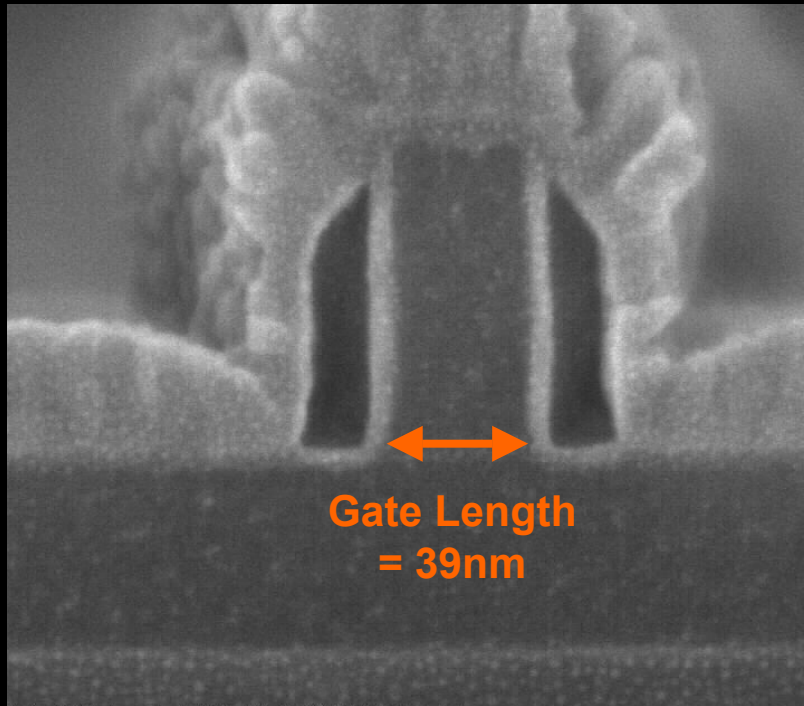
AMD's 90nm technology features:

- Industry-leading SOI transistors
 - ✓ High performance
 - ✓ Significant power reduction
 - ✓ Tuned for optimum product performance
- High-performance low-k interconnect

High yield at initial production

- AMD's Automated Precision Manufacturing (APM) technology
- Disciplined technology transition strategy

Revenue shipments in Q304



High-performance 65nm technology SOI transistor with strain engineering

65nm development continues with IBM

- Achieved our 65nm SRAM milestones
 - SRAM test vehicle yields are exceeding our development plans
- On schedule for development process installation in Fab 36 in mid-2005
- AMD is optimizing Fab 36 for smooth transition of 65nm technology



What is Automated Precision Manufacturing (APM)?

- Integrated suite of more than 300 AMD patented or patent-pending technologies
- Cooperatively developed by AMD's fabs and corporate technology groups
- Foundation of AMD's manufacturing strength and competitiveness
- Allows aggressive participation in stringent product performance environments while achieving world class operational metrics

APM Delivers:

- ~80% reduction in time-to-mature-yield in three years
- ~66% faster yield ramp vs. previous generation
- Smooth AMD transition to 90nm!

This month AMD signed agreements with Chartered Semiconductor:

- **Upside Opportunity - second source manufacturer of AMD 64-bit microprocessors**
- **Operational Flexibility – ability to add manufacturing capacity**
- **Chartered has licensed portions of AMD Automated Precision Manufacturing software to help increase production yields and improve manufacturing efficiencies**
- **Technology Development: AMD / Chartered / IBM**



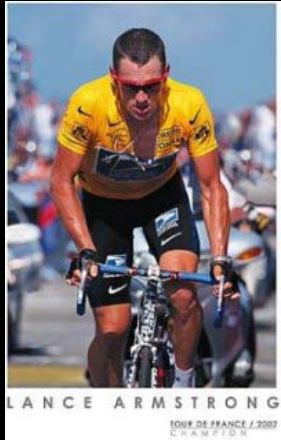
On Plan, on Time, on Budget



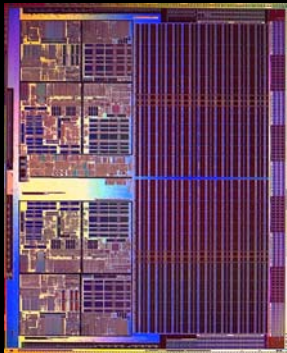
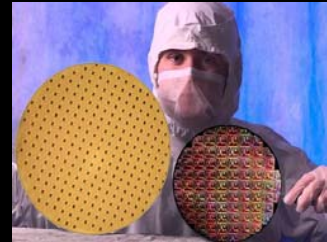
AMD's Fab 36

- ✓ **November 2003 - Groundbreaking**
- ✓ **February 2004 - EU approval**
- ✓ **May 2004 - "Topping Off" ceremony**
- **December 2004 - Equipment move-in commences**
- **Mid-2005 - Process installation**
- **1H 2006 - Production shipments**

AMD Delivers on its Promises



- Tier 1 **customer acquisition** – Sun, IBM, HP, Gateway, Fujitsu Siemens
- Developed **AMD64 ecosystem**: thousands of computer manufacturers, ISVs, and IHVs ... and our competitor
- AMD demonstrates the first x86 **dual core** MPU
- Introduced AMD **Sempron™** processor, meeting customer demand to reinvent everyday computing
- Extended successful IBM **technology** relationship
- Revenue shipments of **90nm** technology to meet growing demand for AMD64 products
- Construction of **300mm** Fab 36 on target
- 2004 year-over-year MPU revenue **growth** of 30%
- Five straight quarters of MPU operating **profit!**



Welcome to the



World of AMD64

The ranks are growing **Who's left?**



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